

RESOLUTION NO. 2023-108

A RESOLUTION APPROVING VINELAND REVOLVING  
LOAN FUNDS FOR JOSHUA MOTORS II, LLC (OR  
ASSIGNS).

WHEREAS, the Vineland Revolving Loan Fund, LLC Committee has submitted a proposal dated February 28, 2023, for use of Vineland Revolving Loan funds for Joshua Motors II, LLC (or assigns); and

WHEREAS, it is considered to be in the best interest of the City of Vineland and the community in particular that Vineland Revolving Loan Funds be utilized for the above-mentioned project; now, therefore,

BE IT RESOLVED by the City Council of the City of Vineland that said Council does hereby approve the use of Vineland Revolving Loan Funds for the following project, in accordance with the proposal submitted by the Vineland Revolving Loan Fund, LLC Committee:

To: Joshua Motors II, LLC (or assigns) \$100,000.00

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to execute all documents associated with this loan.

Adopted:

\_\_\_\_\_  
President of Council

ATTEST:

\_\_\_\_\_  
City Clerk



ECONOMIC DEVELOPMENT  
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MEMORANDUM

TO: City Council President and Members

FROM: Vineland Revolving Loan Fund, LLC

SUBJECT: **Applicant:** Joshua Motors II, LLC  
**Loan Amount:** \$100,000.00

DATE: February 28, 2023

Dear Council President Arthur, Councilmen Acosta, Franceschini, Spinelli, and Vargas:

On behalf of the Vineland Revolving Loan Fund Committee, please accept this letter recommending a commitment be given to the above applicant for a Vineland Revolving Loan Fund, LLC loan in the amount as stated herein above.

Please note that the committee finds that the purpose of the loan meets the criteria set forth in the Statute made and provided governing Urban Enterprise Zones. The Committee further finds that the loan will promote economic development, creation/retention of jobs, and/or tax rateable(s) that will benefit the City of Vineland.

Further, please note that the loan would be properly protected in that the pledged collateral has a net value which equals or exceeds the amount of the requested funding.

Respectfully submitted,

Sandra Forosisky  
Director of Economic Development

SF/fd

cc: Frank DiGiorgio  
file



**VINELAND UEZ LOAN COMMITTEE  
LOAN PROPOSAL**

**Date:** February 2, 2023

**Borrower Name and Address (s):** Joshua Motors II, LLC  
2521 S. Delsea Drive  
Vineland, New Jersey 08360

**Request:** \$100,000 commercial mortgage loan – permanent end loan for improvements to real estate.

**Interest Rate:** 5.00%                      **Term of Loan:** 20 yrs.

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**1.BACKGROUND:** Josue Gomez is the owner/operator of Joshua Motors (a sole proprietorship), a used automobile dealer, located at 2521 S. Delsea Drive in Vineland, New Jersey. Mr. Gomez has been in the business of selling automobiles for over thirty five years. Mr. Gomez began in the auto sales industry working for his father for many years prior to setting out on his own and operating Joshua Motors. Actually, he has been around the auto sales business and industry since he was five years old, tagging along at his father’s used car business in Vineland on N. Delsea Drive. Joshua Motors competes with several new and used automobile dealers located along North and South Delsea Drive in Vineland. In addition, competition is available via technology and internet.

In 2017, Mr. Gomes purchased his current location where he had previously leased. Mr. Gomez obtained UEZ financing for a portion of the purchase. Mr. Gomez and his wife, Jennifer Gomez, formed Joshua Motors II, LLC in 2017 (Mr. Gomez owns 75% and his wife owns 25%) to own the real estate located at 2521 S. Delsea Drive, Vineland. Recently, Mr. Gomez obtained several quotes to renovate and improve his showroom and dealership location. The improvements will include more sales space, new storefront and signage, new mechanicals, new ceiling, creation of sales office areas, and other improvements.

**1a. PROJECT:** The project involves the improvements to the interior and exterior of a +-3,500 sq. ft. facility, which includes a 4 bay garage on 3 acres, and houses a used car dealership located 2521 S. Delsea Drive known as Joshua Motors. The breakdown of costs and funding are as follows:

<u>Costs</u>		<u>Funding Sources</u>	
Int. & Ext. Improvements	\$107,500	UEZ	\$100,000
Closing Costs	5,000	Borrower	12,500
Total	\$112,500	Total	\$112,500

**2. COLLATERAL:**

- a.) Third position mortgage lien on the property located at 2521 S. Delsea Drive, Vineland, Cumberland County, New Jersey a/k/a Block 6104, Lot 29,
- b.) Assignment of rents and leases,
- c.) UCC-1 filing and Security Agreement (Cumberland County Filing – real estate holding co.),
- d.) UCC-1 filing and Security Agreement (State of NJ Filing on Josue Gomez t/a Joshua Motors) on all business assets now owned and hereafter acquired including accounts receivable, machinery and equipment (excluding auto inventory).

**3. GUARANTORS:**

- a.) Personal Guaranty of Josue Gomez,
- b.) Personal Guaranty of Jennifer Gomez.



**4. LIEN POSITION:** 3rd position.

**5. DOLLAR AMOUNT AND HOLDER OF PRIOR LIENS:** Truist Bank (original amount) \$630,000, remaining amount \$556,000. VRLF has a second position of (original amount) \$270,000 with a balance of +-\$226,000.

**6. SIZE OF PARCEL:** +-3.00 acres.

**7. IMPROVEMENTS THEREON:** The Vineland Tax Assessor's Office indicates that the property is improved with a 3,444 sq. ft. commercial building with 836 sq. ft. of office space, 1,672 sq. ft. show room, 936 sq. ft. garage.

**8. LOCATION OF PROPERTY:** 2521 S. Delsea Drive, Vineland, Cumberland County, New Jersey a/k/a Block 6104, Lot 29.

**9. APPRAISAL INFORMATION:** The property is currently assessed by the City of Vineland at \$288,200 (land valuation \$154,900, improvements valuation \$133,300).

The Borrower will provide copy of an existing appraisal indicate a value of \$1,100,000. Based on this value, the combined LTV (including the proposed loan) would = 80%.

**10. FINANCIAL:**

**11. SUBSTANTIATION:** DSCR = 1.16x, LTV = 80%.

- Assist local a UEZ Certified business with renovations of facility which an affiliate business operates.
- Joshua Motors expects to hire 4 additional sales staff members and 1 clerical position.
- Loan will assist an existing long-time business operator in Vineland.

**12. RECOMMENDATION:**